

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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GUCCI AMERICA, INC.,

Plaintiff,

- against -

JENNIFER GUCCI, JENCO DESIGNS, LLC,
JENNICOR, LLC, JENNY GUCCI COFFEE AND
GELATO COMPANY, INC., VERATEX, INC.,
COLLEZIONE DI CASA, INC., E.L. ERMAN -
DEAD SEA COSMETICS CORP., ELE BRANDS
ENTERPRISE, INC., GBN WATCH
COLLECTION, INC., GBN GLOBAL BUSINESS
NETWORK, EDWARD LITWAK d/b/a ED
LITWAK & ASSOCIATES, GEMMA GUCCI,
GEMMA GUCCI COFFEE AND GELATO
COMPANY, INC., ABC CORPORATIONS 1-10,
and JOHN DOES 1-10,

Defendants.
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Civil Action No.
07 cv 6820 (RMB) (JCF)

**WITNESS STATEMENT OF MANDY TALBERT
ON BEHALF OF PLAINTIFF GUCCI AMERICA, INC.**

Mandy Talbert declares as follows under penalty of perjury:

1. I am Mandy Talbert of Louisville Bedding Company ("Louisville"). I submit this witness statement as my direct testimony in the trial of the above action. The facts set out in this witness statement are true to my own personal knowledge.

2. Louisville was initially named a defendant in this action. Shortly after suit was brought, Louisville entered into a settlement agreement with plaintiff Gucci America, Inc. ("Gucci"). As part of that settlement, Louisville agreed, among other things, to cease the manufacture, sale, offering for sale, advertisement, promotion, marketing and distribution, or other commercial exploitations of any kind, of bedding or bedding-related products utilizing the JENNIFER GUCCI name and other marks and designs that, Gucci claimed, constitute infringements of certain of Gucci's trademarks.

3. Louisville is a manufacturer of bedding products in Louisville, Kentucky. Among the products manufactured and sold by Louisville are mattress pads and pillows. Louisville has been in existence for over one hundred years, and enjoys an excellent reputation among the trade and consumers as a producer of bedding products.

4. In early 2007, Louisville was approached by Veratex, Inc., a California-based producer of comforters, sheets and bed linens, about the possibility of becoming a licensee for a new line of JENNIFER GUCCI brand bedding products. We were informed by Veratex that it held a master license to make and sell products using the JENNIFER GUCCI name, and that it would like Louisville to become part of that licensing program.

5. Although Louisville was, of course, aware of the existence of the well-known GUCCI brand name, we were assured by Veratex that Ms. Jennifer Gucci, a former member of

the Gucci family had authorized Veratex to use her name for a full line of bedding products, and that under a prior court decision she had the right to do so.

6. Over the period of February through August, 2007, I worked with Mr. Dale Talbert, and to a lesser extent Mr. Avi Cohen and others at Veratex in putting together a line of bedding accessories to be sold under the JENNIFER GUCCI name. By June, 2007, Louisville had selected several products to be a part of the JENNIFER GUCCI line, including mattress pads, mattress toppers, down comforters, down alternative comforters, "luxury" pillows, bed pillows, and pillow protectors.

7. In late June 2007, in anticipation of signing a license agreement with Veratex or one of its affiliates to become an authorized dealer of JENNIFER GUCCI products, Louisville accepted Veratex's invitation to attend Veratex's launch of its JENNIFER GUCCI line of products at Veratex's New York City showroom. At that launch, Louisville also displayed certain of the products it intended to put out under the JENNIFER GUCCI name.

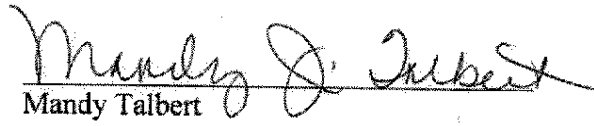
8. After attending the Veratex launch of its JENNIFER GUCCI line, in June 2007, Louisville decided to kick off its JENNIFER GUCCI product line at the New York Home Fashion Show commencing August 6, 2007. The New York Home Show is one of the most important national trade shows in our industry, where we and many of our competitors introduce our new product lines for the fall and winter selling seasons. In connection with that show, Louisville put out a press release to the trade announcing that it would become a licensee of the JENNIFER GUCCI name and that it would introduce its new JENNIFER GUCCI line at the show.

9. In connection with Louisville's proposed launch of its JENNIFER GUCCI product line, we were provided by Veratex with sample packaging materials for these products which were intended to be displayed at the New York Home Show. *See* Pl. Tr. Ex. 235.

10. Shortly after Louisville issued a press release announcing that it had become a JENNIFER GUCCI licensee and would be launching its JENNIFER GUCCI product line at the New York Home Show in early August 2007, Louisville learned that it had been sued for trademark infringement by Gucci. Prior to that time we were not aware of any objection to the use of the JENNIFER GUCCI name by Gucci; in fact, we understood that Ms. Gucci had the right to use and license her name for consumer products. Had we been aware of any issues with respect to Ms. Gucci's ability to use her name, we would not have agreed to become a licensee. As soon as we became of the suit, we removed the proposed JENNIFER GUCCI line from the products to be shown at the New York Home Show and, shortly thereafter, we agreed to settle the case with Gucci and not proceed with any licensing program involving the use of the name JENNIFER GUCCI.

11. While I met Jennifer Gucci during the Veratex show in June, she did not provide me or Louisville Bedding with any instructions or direction with respect to product design. Louisville Bedding was solely responsible for the design and quality of the proposed JENNIFER GUCCI line.

DECLARED UNDER PENALTY OF PERJURY THIS ^{16th} ^ DAY OF JUNE, 2008


Mandy Talbert